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Media Advisory

ATTORNEY GENERAL'S OFFICE

ATTORNEY GENERAL'S OFFICE NEGOTIATES OVERSIGHT OF DEREGULATED COMMERCIAL REFUSE SERVICES

PUBLIC ADVOCATE ADVISORY: October 26, 2007

(Anchorage, AK) The Alaska Attorney General's office, under the direction of Attorney General Talis Colberg who serves as the Public Advocate for regulatory matters, negotiated settlements with Alaska Pacific Environmental Services Anchorage LLC d/b/a Alaska Waste (Alaska Waste) allowing for economic deregulation of commercial refuse service in five utility service areas along the Railbelt. On 10/16/07, the Regulatory Commission of Alaska (RCA) approved stipulated agreements between state attorneys and Alaska Waste that exempt the utility from commercial service rate regulation in the Municipality of Anchorage, Girdwood, Whittier, the Mat-Su Borough and the Fairbanks North Star Borough.

In RCA Dockets U-07-32/U-07-33/U-07-34/U-07-35/U-07-36, Alaska Waste petitioned the RCA for economic deregulation of its commercial refuse collection services in five service areas. By statute, the RCA may exempt a utility service from regulation if it is in the public interest. AS 42.05.711(d). The Attorney General elected to participate as a party in each of the related cases on behalf of the public interest. AS 44.23.020(e).

Deregulation of commercial refuse service received considerable support from commercial refuse customers, as well as recycling businesses and advocates. Industrial customers favored deregulation because of expected pricing flexibility and the prospect of self-hauling as a competitive restraint on rates. Recycling advocates considered deregulation an opportunity for innovative approaches to integrated waste recycling.

The Attorney General's office negotiated a resolution that considered the concerns expressed by refuse hauling competitors and that further ensures that commercial rate deregulation will not result in cross-subsidies by *residential* ratepayers whose rates continue to be fully regulated by the RCA. The RCA-approved settlements provide for continued regulatory oversight and safeguards regarding the utility's commercial operations. As a result, Alaska Waste must continue to give prescribed notice of rate changes to consumers and make informational filings with the RCA on an ongoing basis. The utility is also required to keep separate accounts for residential and economically deregulated commercial services. Finally, the utility must give the Attorney General written notice of any future intent to increase residential rates.

For further information, please contact Daniel Patrick O'Tierney, Chief Assistant Attorney General for Regulatory Affairs & Public Advocacy (RAPA) at (907)269-5100.